

Tea output slightly below target

Iqbal Siddiquee, Sylhet

The tea industry failed to meet its production target last year, owing mainly to a delay in the supply of fertiliser by state-run Bangladesh Chemical Industries Corporation (BCIC).

The total tea output stood around 58.75 million kilograms (kg) against the target of 60 million.

Industry insiders and a number of tea scientists, however, said a good yield of tea was possible because of a comparatively favourable weather conditions throughout the year.

An official of the Bangladesh Tea Research Institute (BTRI) said after a generous yield in 2007, the production target was fixed for 2008. In 2007, production stood at 57.96 million kg, while it was 53.41 million kg in 2006.

The country had the highest-ever tea production of 60.14 million kg in 2005, thanks to favourable weather conditions, the official said.

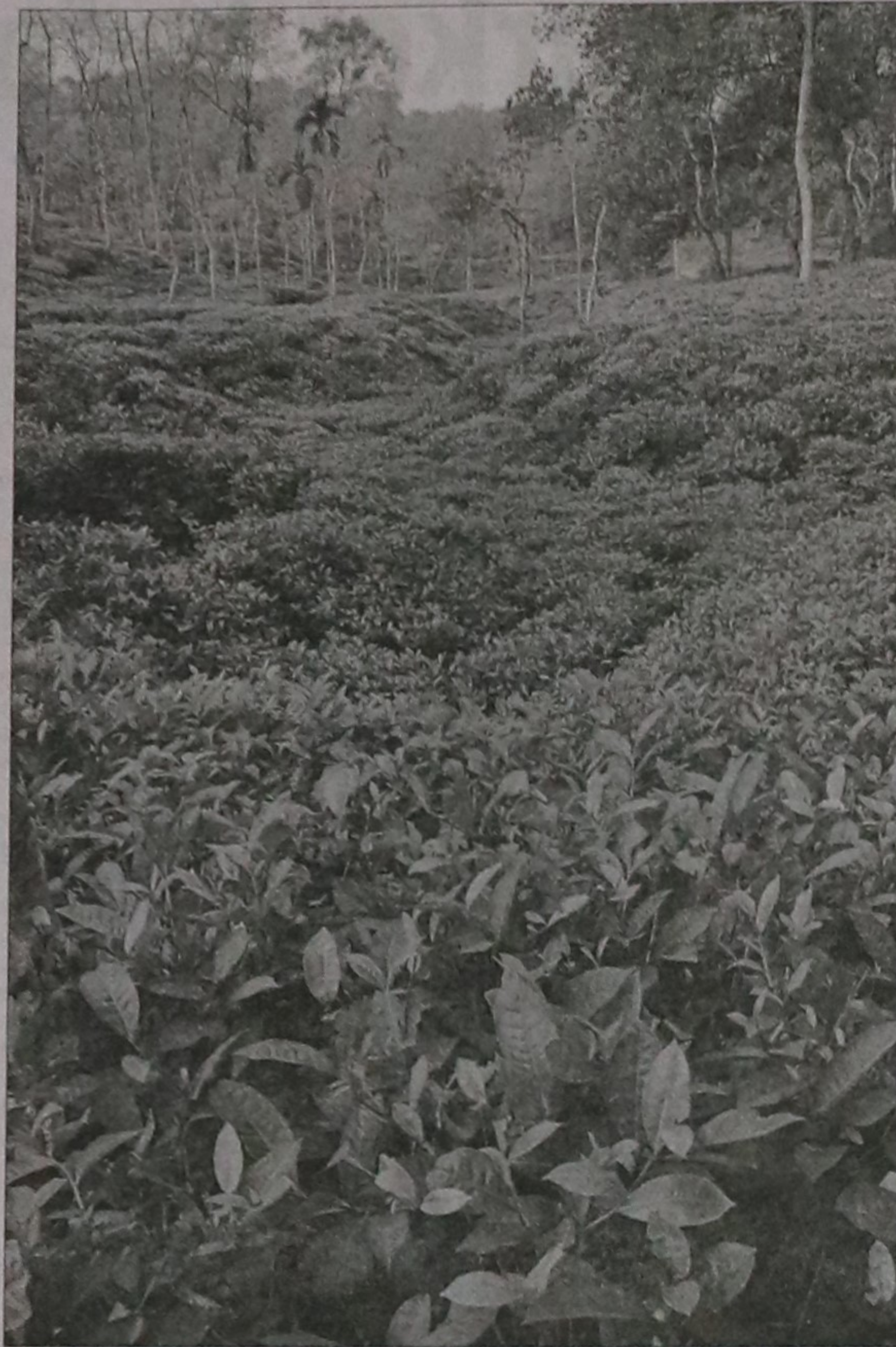
The production was 56 million kg in 2004, 58.3 million kg in 2003, 53.62 million kg in 2002, 56.82 million kg in 2001, 52.64 million kg in 2000, 47.19 million kg in 1999, 55.83 million kg in 1998 and 50.83 million kg in 1997.

MD Shahjahan, manager of state-run Somonbhag Tea Estate of Juri valley, told The Daily Star yesterday, the region experienced a good rainfall from the beginning of March. In addition, temperatures and sunshine were also favourable, which is very important for the sensitive crop. Unfortunately, the inability to manage fertilisers and rehabilitate the status of the soil nutrients did not yield satisfactory results.

An official of Bangladesh Tea Board said although the use of fertilisers is a regular practice for gardeners, the delayed supply resulted in a low output.

Potash and NPK fertiliser are very important for tea plants in March-April. Tea gardeners need these imported fertilisers on time. A rise in the price of the item also badly hit the industry, the official admitted. Most of the gardens failed to apply the second instalment of urea as the BCIC supplied it much later than its requirement time.

Numan Haider Chowdhury, general



manager of Khadim Tea Estate in Sylhet, said tea is a very sensitive crop, which needs uniform rainfall and sunshine, especially during the period from March to September-October.

"We suffered slightly due to the shortage in fertilisers and erratic rainfall," Numan, also the circle chairman of Bangladesh Tea Association's North

Sylhet valley, said, adding that tea is an important cash crop for Bangladesh. It is one of the largest agro industries in the country. There are 160 tea estates, totaling production to about 55 to 60 million kg. Roughly, two third of the productions is consumed at home, while the remaining is exported, which fetches substantial foreign exchange.

Steps on to build Digital Bangladesh

BSS, Dhaka

Industries Minister Dilip Barua said yesterday the government has stepped up efforts to build an industrialised, digital Bangladesh by 2021 to fulfill its commitment.

"A stable political atmosphere as well as political unity is essential for the industrialisation of the country," the minister said while addressing a workshop on "Role of Information Technology for Expansion of Small and Medium Enterprises in Bangladesh", organised by SME Foundation in Dhaka.

The minister said the financial allocation would be increased in the next budget for the development of the SME sector, expansion of technical education and other training facilities for producing a desired manpower.

Barua said the government has attached priority to the expansion of the SME sector to build a strong economy, which would pave the way for heavy industry in Bangladesh.

Barua said time has come to work together to find out the ways of how Bangladesh can cope with the global economic meltdown by ensuring an optimum use of information technology.

The government is set to make a "time-befitting" industrial policy to face the challenges of globalisation.

Pran signs deal on \$15 lakh exports to Somaliland

BSS, Dhaka

Pran Export Ltd, a local company, will export processed agro-food products worth \$15 lakh to Somaliland over the next year.

An agreement was signed between Pran Export Ltd, a concern of the Pran-RFL Group, and Hadrawi Trading Establishment at the National Press Club in Dhaka, according to a press statement released yesterday.

General Manager of Pran Export Ltd Paramuddin Hossain and Hadrawi Trading Establishment proprietor Mohamed Omar Abdi signed the deal on behalf of their respective sides.

Later, Abdi said there is huge demand for Bangladeshi processed agro-food products in African countries.

Pran-RFL Group Chairman Mahatabuddin Ahmed said Pran products are being exported to 70 countries across the globe.

Paramuddin said that his company would start exporting processed agro products to Papua New Guinea, East Timor, Brunei, Mauritius, Algeria and some other countries soon.

Trade thru' Akhaura land port suspended

UNB, Brahmanbaria

Trading through Akhaura land port was suspended as the exporters and importers went on an indefinite strike yesterday in protest against arrest of a truck driver and his helper.

Exporters Importers Association called the strike as police denied to release the two and took them into custody.

Association general secretary Monir Hossain said Indian Border Security Force (BSF) seized a stone-laden Bangladeshi truck when it reached the Agartala customs station through Akhaura land port.

Wednesday, showing lack of necessary papers.

They also held truck driver Hafizuddin and his helper Babul Miah and handed them over to Bangladesh Customs authority. Later, they were handed over to police.

Export-import through the land port would remain suspended until their unconditional release, Monir Hossain said.

Recession to hit Bangladesh

CPD executive director tells seminar

STAR BUSINESS REPORT

The global financial crisis will certainly affect Bangladesh as the country is exposed to global economies, said Prof Mustafizur Rahman, executive director of Centre for Policy Dialogue (CPD).

Bangladesh is an economy worth \$84 billion, with \$21 billion imports and \$14 billion exports. Any event in the global economy will certainly affect the country, said Rahman. He was speaking as the chief guest at a seminar styled "Global Financial Crisis: Are We Ready?" in Dhaka yesterday.

The Centre for Corporate

Governance and Financial Studies, a research organisation run by Dhaka University (DU) faculty members, and the students of the Department of Finance of DU organised the seminar at the Business Faculty Auditorium on DU campus.

"The isolation the country presently enjoys from the global crisis will not offer comfort for long," said Rahman. This is because the country is exposed to international markets, he said.

As a safeguard measure, the country should strengthen its institutions, as several countries, including the US, have undertaken steps to reform their institutions, Rahman told the semi-

nar. Prof Mahmood Osman Imam, chairman of the finance department, presided over the event.

He said Bangladesh fetched \$700 million as foreign direct investment (FDI) last year, which is insignificant in terms of volume. Vietnam attracted \$20 billion in FDI during this time, he added.

The global financial crisis is likely to affect remittance earning, Imam warned.

The finance department students presented a keynote paper on the theme of the seminar, while Syed Mahbubur Rahman, deputy managing director of BRAC Bank, also spoke.

BEA-member MPs promise to work on farm uplift policy

STAR BUSINESS REPORT

The government should uphold national pride, ethics and equal rights of each citizen while formulating new policies, said Bangladesh Economic Association (BEA) president yesterday.

"We hope that the new government, who pledged to bring change, would consider three things prior to formulating new policy; uphold national pride, ethics and equal rights of every citizen of the country," Qazi Kholiquzzaman Ahmad told a reception, according to five newly elected members of parliament in the capital.

The MPs are also members of the BEA.

"We also hope this government would work hard for the betterment of the people and formulate policy

for the development of agriculture that would help reduce the prices of essentials," he added.

The MPs promised to work together to face any fallout from the global financial crisis and not to go for any agreement against the national interest.

The MPs Mohiuddin Khan Alamgir, Mostafa Faruk Mohammad, Rashed Khan Menon, Fazle Hossain Badsha and Professor Ali Ashraf.

In his speech, Mohiuddin Khan Alamgir pledged to work on prioritising agriculture in the national economy and increase subsidies on seeds and fertilisers to boost the sector.

Professor Abul Barkat, the BEA general secretary, and Professor Ashraf Uddin Chowdhury, senior vice president, were also present at the reception.

French 'rogue trader' blames bosses

AFP, Paris

Alleged rogue trader Jerome Kerviel, accused of losing his bank 4.9 billion euros (7.1 billion dollars), blamed his bosses on Friday in an emotional radio interview ahead of his trial.

Speaking publicly for the first time since the end of the investigation into the Societe Generale scandal, Kerviel insisted that he could not have gambled away so much without his superiors' knowledge.

"Everything was visible. I took my positions in front of everyone, in front of managers. I wanted to earn money for my bank, all my operations were seen, monitored and controlled," he told RTL radio.

"Do you honestly believe a 15 billion euro operation could go unnoticed and that the bank would ask no questions. For my part, I wasn't hiding myself. I was at the middle of the desk and everyone could see me work."

Japan Airlines sees \$374m annual loss

AFP, Tokyo

Japan Airlines, Asia's largest carrier, said Friday it expected a net loss of 34 billion yen (374 million dollars) in the year to March as the global economic crisis hits demand.

JAL scrapped an earlier forecast for a 13-billion-yen annual net profit, blaming a slump in passenger numbers.

It expects an operating loss of 37 billion yen for the year, against a previous projection of 28 billion yen in profit.

NBR chief promises taxpayer-friendly budget

BSS, Habiganj

Muhammad Abdul Mazid, chairman of the National Board of Revenue (NBR), yesterday said the number of taxpayers would have to be increased to carve out a business- and taxpayer-friendly budget.

A prosperous economy, in which there would be no need to take financial assistance from others, Mazid said, will earn a good image for the country.

Exchanging views with traders at the Office of the District Commissioner, the NBR chief said the process of paying taxes would be further simplified by removing the complexities in the system of tax collections.

The meeting discussed the issues of self-motivation for tax payment, collection of value-added tax as well as the next budget.

Organised by Habiganj Chamber of Commerce and

Industries (HCCI), the meeting was chaired by Deputy Commissioner Mohammad Abul Kashem Talukdar. Habiganj Sadar Upazila Chairman Syed Ahmadul Haq, Habiganj Mayor GK Gaus and HCCI President Takammul Hossain also spoke.

The members of the chamber called for attaching priority to the agriculture sector, just prices for agro-products and for tackling the power crisis.

Focusing domestic demand is secret to their success

ANN/THE YOMIURI SHIMBUN

While automakers and electronics makers are posting huge losses amid the global economic slowdown, some companies are making record profits.

The key to their success is focusing on domestic demand instead of overseas markets while touting the low prices and distinctive features of their products and services.

According to Shinko Research Institute Co, 10.5 per cent of companies listed on the First Section of the Tokyo Stock Exchange that have released earnings results for the past five business years or longer and that have a market value of at least 50 billion yen expect record pretax profits for the business year ending in March.

One example is Oriental Land Co, which operates Tokyo Disney Resort. Oriental Land forecasts its sales and pretax profit will hit a record in the business year ending in March. The number of visitors to Tokyo Disney Resort also is expected to set a record high of 27.1 million, up 6.6 per cent from the previous year.

While part of its success is due to special events to celebrate the 25th anniversary of the theme park, another arrow in the firm's quiver was its steady promotional efforts. The company dispatched buses painted with Disney characters to 29 cities to advertise its attractions and had Mickey Mouse and other Disney characters appear at local festivals.

McDonald's Holdings Co (Japan) attracted customers with its low-price menu items, such as coffee and fried chicken at 120 yen, despite the consumer trend toward eating in rather than dining out. Its annual net profit through December hit an all-time high of 12.3 billion yen.

Shoe manufacturer-retailer ABC-Mart Inc. expects to post a record

pretax profit of 21.1 billion yen in the year ending in February.

The company has increased the number of products produced in-house so market trends can be quickly reflected in new items. This strategy proved to be effective giving the firm a hit product with its mouton boots. About 10 models priced at 5,000-18,000 yen are on the shelf this winter.

Beverage maker Suntory Ltd put off price hikes to September, while rivals raised their prices following a rise in material costs, which won over thrifty consumers. Its lower-priced third-category beer Kin-mugi was popular, and the beer division was in the black for the first time since the company entered the beer market in

1963. The company's annual pretax profit was a record 79.2 billion yen in the year that ended in December.

Nintendo Co's Wii video game console proved extremely popular in the United States and European markets, which have been plagued by the financial crisis. With sales of the Nintendo DS handheld console marking a year-on-year increase, the firm is expected to post record 530 billion yen in operating profits for the business year ending in March.

DeNA Co, which mainly handles the cell phone portal business, is expected to post record sales, ordinary profits and after-tax profit for the business year ending in March.

The company attributes its brisk sales to the economic downturn.



The file photo dated on October 19, 2006 shows customers looking at Japanese electronics giant Sharp's LCD TVs lined up at the flat panel display exhibition in Yokohama, suburban Tokyo. Japan's Sharp Corp said on Friday it expected its first-ever operating loss this year, some 30 billion yen (US\$335 million), as the global economic crisis eats into sales of electronic goods and sends the value of its investments plunging.



Vishal Singh, director (communications and media) of Microsoft South East Asia, speaks at a seminar "ICT, the future-prospect and potential for us", organised by Grameenphone Ltd, at Bangladesh China Friendship Conference Centre in Dhaka recently.

Taiwan may close its Dhaka office

UNB, Dhaka

Taiwan may shut down its representative's office in Dhaka but expects to open new offices in Japan and Turkey to boost trade and investment there, says a Taipei-dated news report.

Quoting Taiwanese Foreign Minister Francisco HL Ou, the Central News Agency reported that the decision of closure of its Dhaka office was being mullied over poor performance.

"In the light of Taiwan's frequent people-to-people exchanges with Japan and Turkey, the MOFA is considering establishing offices in Sapporo and Istanbul," Ou was quoted by the news agency as saying.

"In principle, the Japan and Turkey governments have both agreed to the idea," the foreign minister said.

"Given that bilateral relations between Taiwan and China are improving, the establishment of new representative offices abroad should now be smoother," he said.

Ou said the MOFA would evaluate whether to close representative offices based on factors such as whether the ministry already has too many offices in one country and whether the countries in question are friendly toward Taiwan.

The news of possible closure of Dhaka office came as a shock to officials of Taipei Representative's Office in Dhaka as they said Saturday they were not prepared for such a future decision since Bangladesh and Taiwan could both benefit through the office in the fields of trade and investment.

Taiwan, which is officially called the Republic of China, set up its office in Dhaka in 2003 to boost investment in Bangladesh, and officials said they are on the way of meeting their target but less optimism from the side of the Bangladesh government was hampering that effort.

In the 2003 agreement with the BNP-led four-party coalition government Bangladesh promised to

open an office in Taipei to deal with trade and investment issues, but that did not happen to date.

Moreover, Taiwan is eager to get permission to process visa and other travel-related requirements for smooth travel by businesspeople from Dhaka while Taiwan wants manpower from Bangladesh for its growing economy.

"If the decision of closing down my office here in Dhaka is materialised, both sides will lose a scope to grow together," Frank Chen, the Taipei Office Representative in Dhaka, said Saturday.

He said he has long been pushing for further opening up of opportunities for issuing visa for Bangladeshi travellers while manpower import from Bangladesh was on the top of the agenda, but "different procedural mechanism has hampered our efforts".

Chen said Bangladesh has enormously benefited from Taiwanese investment since his office started functioning in 2004.